

## Message Text

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ACTION EB-08

INFO OCT-01 ARA-10 EUR-12 EA-10 ISO-00 FEA-01 ERDA-05

AID-05 CEA-01 CIAE-00 COME-00 DODE-00 FPC-01 H-01

INR-07 INT-05 L-03 NSAE-00 NSC-05 OMB-01 PM-05

USIA-06 OES-07 SP-02 SS-15 STR-04 TRSE-00 ACDA-07

GSA-02 /124 W

-----111861 061212Z /43

R 060838Z SEP 77

FM AMEMBASSY KUALA LUMPUR

TO SECSTATE WASHDC 9085

INFO AMEMBASSY BANGKOK

AMEMBASSY JAKARTA

AMEMBASSY LA PAZ

AMEMBASSY LONDON

LIMITED OFFICIAL USE KUALA LUMPUR 6228

E.O. 11652: N/A

TAGS: EMIN, ITC, MY

SUBJ: JOINT VENTURE MINING AGREEMENT--AGREEMENT TO EXPLOIT NEW TIN  
AREA

REF : A) KUALA LUMPUR A-27, B) KUALA LUMPUR 2542 (NOTAL)

1. THE SELANGOR STATE GOVERNMENT HAS ANNOUNCED THE SIGNING OF  
A JOINT VENTURE AGREEMENT BETWEEN KUMPULAN PERANGSANG SELANGOR  
(A STATE GOVERNMENT-OWNED CORPORATION), CONZINC RIOTINTO AND A  
LOCAL MALAY-OWNED FIRM NAMED SYARIKAT LOMBONG SETAPAK TO MINE A  
NEW TIN DEPOSIT IN THE SOUTHERN PORTION OF THE STATE. EQUITY  
HOLDINGS WILL BE 51, 30 AND 19, PERCENT RESPECTIVELY. THE COMPANY  
WILL HAVE APID UP CAPITAL OF \$5.2 MILLION AND IS EXPECTED TO  
BEGIN DREDGING OPERATIONS IN 1979.

2. THE STATE'S CHIEF MINISTER WAS QUOTED AS SAYING THAT HE HOPED  
THAT THIS WAS ONLY THE FIRST OF SUCH AGREEMENTS AND THAT HIS  
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GOVERNMENT IS PRESENTLY CONSIDERING ANOTHER JOING VENTURE IN  
THE KUALA LANGAT AREA. FYI: KUALA LANGAT IS CONSIDERED TO BE  
ONE OF THE RICHEST TIN DEPOSITS (ESTIMATED AT 200,000 TONS OF  
TIN ORE) IN MALAYSIA BUT HAS NOT BEEN PREVIOUSLY MINED DUE TO  
POLITICAL PROBLEMS AND THE FACT THAT THE ALLUVIAL DEPOSIT IS  
LOCATED 200 FEET BELOW THE SURFACE.

3. COMMENT: THIS IS THE FIRST INSTANCE IN WHICH THE GOM'S  
70-30 PERCENT EQUITY REQUIREMENT ON EXTRACTIVE INDUSTRIES HAS  
BEEN PUT INTO EFFECT IN A LARGE SCALE VENTURE. IT IS APPARENT  
THAT THE SELANGOR STATE GOVERNMENT INTENDS TO EXPLOIT THE RICHER  
DUALA LANGAT AREA UNDER A SIMILAR ARRANGEMENT BUT THIS COULD BE  
DELAYED DUE TO LACK OF STATE GOVERNMENT AND PRIVATE MALAY  
CAPITAL AVAILABLE FOR THIS MUCH LARGER CAPITAL UNDERTAKING. THIS  
IS ANOTHER INDICATION THAT THE GOM IS TAKING POSITIVE ACTION  
TO COMBAT ITS DECLINING TIN PRODUCTION.  
MILLER

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01-Jan-1994 12:00:00 am  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** MINING, EXPLORATION, JOINT VENTURES  
**Control Number:** n/a  
**Copy:** SINGLE  
**Sent Date:** 06-Sep-1977 12:00:00 am  
**Decaption Date:** 01-Jan-1960 12:00:00 am  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 22 May 2009  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1977KUALA06228  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D770321-1154  
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**Litigation History:**  
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**Message ID:** bf1f784d-c288-dd11-92da-001cc4696bcc  
**Office:** ACTION EB  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** 77 KUALA LUMPUR A-27, 77 KUALA LUMPUR 2542  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
**Review Content Flags:**  
**Review Date:** 29-Dec-2004 12:00:00 am  
**Review Event:**  
**Review Exemptions:** n/a  
**Review Media Identifier:**  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 1380486  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** JOINT VENTURE MINING AGREEMENT--AGREEMENT TO EXPLOIT NEW TIN AREA  
**TAGS:** EMIN, MY, ITC  
**To:** STATE  
**Type:** TE  
**vdkgvwkey:** odgc://SAS/SAS.dbo.SAS\_Docs/bf1f784d-c288-dd11-92da-001cc4696bcc  
**Review Markings:**  
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